



State of Connecticut

SENATE

SENATOR TONY HWANG
TWENTY-EIGHTH SENATE DISTRICT

LEGISLATIVE OFFICE BUILDING
300 CAPITOL AVENUE, SUITE 3400
HARTFORD, CONNECTICUT 06106-1591
CAPITOL: (800) 842-1421
E-MAIL: Tony.Hwang@cga.ct.gov
WEBSITE: www.SenatorHwang.com

ASSISTANT MINORITY LEADER

RANKING MEMBER
HOUSING COMMITTEE
LABOR & PUBLIC EMPLOYEES COMMITTEE

MEMBER
COMMERCE COMMITTEE
VETERANS' AFFAIRS COMMITTEE

Joint Testimony by Sen. Tony Hwang and Former U.S. Rep. Robert Steele
before the GA's Public Safety and Security Committee in opposition of S.B. 1090
On March 17, 2015

Mr. Chairman and esteemed members of the Committee:

Thank you for the opportunity to testify on S.B. 1090, a bill to permit the tribal owners of Foxwoods and Mohegan Sun to jointly establish and operate up to three satellite casinos in the state.

According to their supporters, the purpose of the proposed commercial "convenience" casinos is to shore up Connecticut's casino industry by keeping state gamblers from traveling to casinos in Massachusetts and New York and, as a result, slow the decline in Connecticut casino jobs and in casino revenue coming to the state.

Based on the increasing data on the social, public health, and economic impact of casino gambling, we believe the proposal is a bad one for Connecticut. Therefore, we strongly oppose the bill.

First, it is a bad economic bet.

Casino jobs and revenue are falling in states like Connecticut and New Jersey that once enjoyed casino monopolies but now face growing cross-border competition, and the situation is projected to continue to deteriorate as casinos fight over smaller shares of the regional casino pie. Opening additional casinos in Connecticut would presumably result in a brief uptick in jobs and revenue, but why Connecticut would want to double down on a declining state industry is difficult to understand when we have so many other needs and opportunities in the state.

Second, while supporters have been quick to talk about jobs and revenue, they have said little about the costs.

While opening convenience casinos would encourage current Connecticut gamblers to stay in Connecticut to gamble, it would also encourage them to gamble more frequently and attract thousands of additional Connecticut residents to gamble with a corresponding increase in gambling addiction, debt, bankruptcies, broken families and crime.

Moreover, we are learning more and more about the downside of our current casinos.

For starters, they have created a pervasive gambling culture in southeastern Connecticut, they've produced chiefly low-wage service jobs, and they were followed by a steep increase in the number of Connecticut residents seeking treatment for gambling addiction.

Despite a sharp drop in crime in Connecticut as a whole over the past two decades, a 2014 study from Western Connecticut State University shows that the number of violent crimes (including murder, rape, robbery and aggravated assault) increased in nearby towns after Foxwoods and Mohegan Sun arrived. While the number of theft crimes declined modestly, the value of property stolen skyrocketed by nearly 40 percent.

Looking at the impact of casinos nationally, a recent landmark report from the non-partisan Institute for American Values in New York concludes that they drain wealth from communities, weaken nearby businesses, hurt property values, and reduce civic participation, family stability, and other formers of social capital that are at the heart of a successful society.

Finally, there is another important reason to oppose allowing the Mashantucket Pequot and Mohegan tribes to build more casinos in Connecticut.

Just over a decade ago, a broad-based coalition of towns, businesses, civic organizations, religious groups, and individual citizens mounted a powerful grassroots effort to stop the opening of more casinos in Connecticut. The coalition persuaded the legislature to repeal the Las Vegas Nights Law that had opened the door to the state's two Indian casinos and, working through the legislature and the state's congressional delegation, the coalition succeeded in persuading the federal government that the state's remaining tribes did not qualify for federal recognition and the accompanying right to build casinos.

But more recently, the federal government has issued draft regulations that would lower federal tribal recognition standards and again raise the possibility of more Indian casinos in Connecticut. As a result, towns from Kent to North Stonington have joined with Governor Malloy, the legislature, and the congressional delegation to fight the proposed federal changes in order to keep additional casinos out of the state.

To allow the Mashantucket Pequots and Mohegans to build commercial casinos would not only fly in the face of the state's hard-earned casino victories, but would destroy the credibility of Connecticut's fight against the proposed federal regulatory changes.

For these reasons, we encourage you to join us in opposing SB 1090.

Thank you for your time and thoughtful consideration.

Tony Hwang
28th District State Senator

Bob Steele
Former U.S. Representative